

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF DELTA NATURAL GAS)	
COMPANY, INC. FOR A CERTIFICATE OF)	
CONVENIENCE AND NECESSITY TO BID)	CASE NO.
ON A FRANCHISE OFFERED BY THE CITY)	2016-00155
OF OWINGSVILLE)	

ORDER

On April 15, 2016, Delta Natural Gas Company, Inc. ("Delta") filed its application with the Commission seeking a Certificate of Public Convenience and Necessity ("CPCN") to qualify it to bid on a franchise offered by the city of Owingsville, Kentucky, for the distribution of natural gas. Under the provisions of KRS 278.020(4), no utility may apply for a franchise from any governmental agency until it has obtained a CPCN from this Commission based on our finding that there is a need and demand for the service sought to be rendered.

In light of the city of Owingsville's ordinance creating a natural gas distribution franchise, the Commission determines that there is evidence of a need and demand for natural gas in the above-mentioned city. Since the Commission's authority in such matters is limited by statute to finding only whether there is a need and demand for the service sought to be rendered, no finding or determination is made as to the qualifications of the bidder, the validity of any of the provisions of the franchises offered by said city, or the manner in which any franchise fee is to be treated for rate purposes.

IT IS THEREFORE ORDERED that:

1. Delta is granted a CPCN that authorizes it to bid on a franchise offered by the city of Owingsville, Kentucky, for the distribution of natural gas.

2. If Delta is not the successful bidder, Delta shall, within ten days of the award of the franchise at issue, file with the Commission a written notice stating that Delta was not the successful bidder.

3. If Delta is the successful bidder, Delta shall, within ten days of the award of the franchise at issue, file with the Commission a copy of the executed franchise agreement and a statement disclosing the amount of the initial franchise fee.

4. If Delta is the successful bidder, Delta shall, within ten days of an increase or decrease in the amount of the initial franchise fee set forth in the franchise agreement, file with the Commission documentation setting forth the revised fee.

5. Any documents filed pursuant to ordering paragraphs 2, 3, or 4 of this Order shall reference the number of this case and shall be electronically submitted via the Commission's electronic Tariff Filing System.

6. This Order shall not be construed as granting a CPCN to construct utility facilities in said city.

By the Commission

ENTERED
APR 15 2016
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Acting Executive Director

Case No. 2016-00155

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